



## OFFICE OF GOVERNOR MARK DAYTON

[www.mn.gov/governor](http://www.mn.gov/governor) | January 2013

# Modernizing Our Sales Tax

## Goods and Services that Will Remain Exempt from Sales Tax

**Governor Dayton's proposal retains sales tax exemptions for some items. Exempting items such as food, clothing items under \$100, and medical care ensures that Minnesota's sales tax remains fair and competitive. The following are examples of goods and services that remain exempt from sales tax under the Governor's proposal.**

- » Food
- » Clothing items and apparel less than \$100
- » Medical services, including:
  - Prescription eyeglasses
  - Prescription drugs
  - Hospitals and outpatient surgical centers
  - Chairlifts, ramps, and elevators in homesteads
  - Parts and accessories to make motor vehicles handicapped accessible
- » Nonprofit organizations, including:
  - Fundraising sales
- » Public safety items, including:
  - Firefighters personal protective equipment
  - Public safety radio systems
  - Ambulances leased to private ambulance services
- » Textbooks and personal computers required for school use
- » Residential heating fuels and water services
- » Agricultural items, including:
  - Farm machinery and repair and replacement parts
  - Farm conservation programs
  - Agricultural processing facility
- » Renewable energy systems
  - Wind energy conservation systems
  - Solar energy systems
  - Biosolids processing equipment
- » Veteran's organizations
- » Building materials for residences of disabled veterans
- » Construction materials for low-income housing
- » Mining production materials
- » Capital equipment